

# Iowa Department of Human Services

## Offer #401-HHS-009: Adoption

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**This offer includes the following appropriations:**

Adoption Subsidy, Field Operations, General Administration

### **Program Description:**

The purpose of the DHS adoption program is to achieve stable and permanent families for children who have been abused or neglected, and whose parental rights have been terminated.

### **Who:**

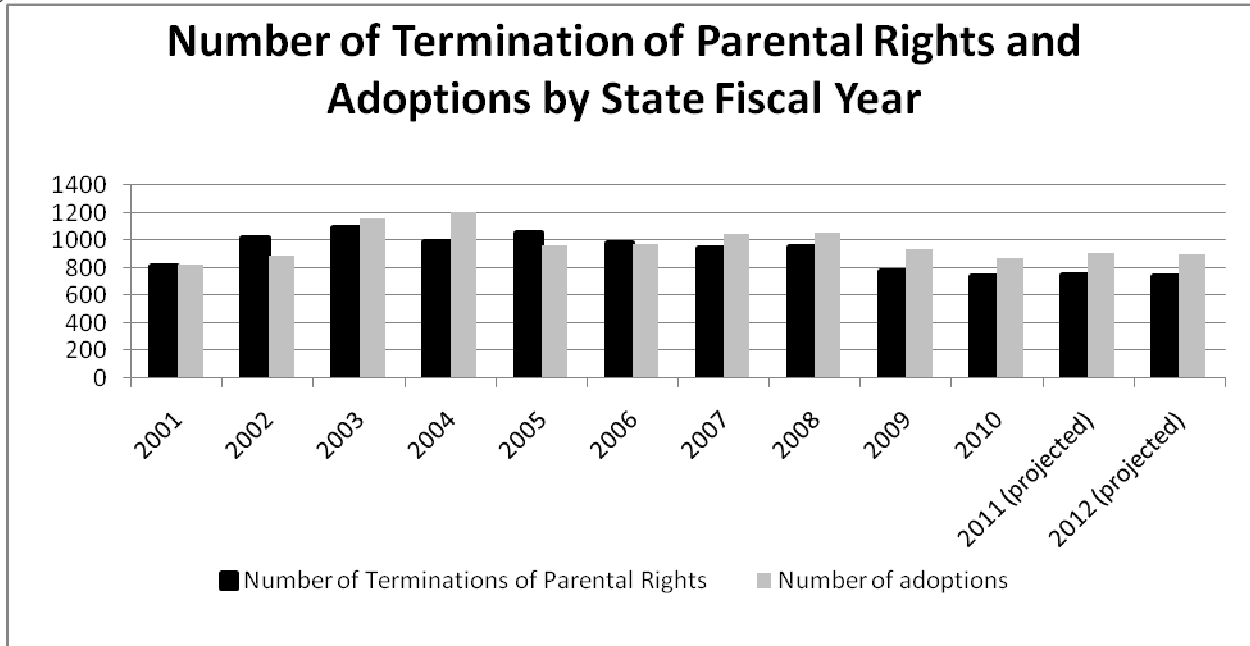
The adoption program serves some of Iowa's most vulnerable children, those who have been abused or neglected.

- A child is eligible for adoption services through DHS if:
  - The child is under the age of 18 and in foster care with DHS responsible for the child's placement and care, and
  - The child's parents have had their parental rights terminated by the Juvenile Court and guardianship transferred to the Department of Human Services.
- A child is eligible for the adoption subsidy if the child meets both of the following criteria:
  - The child has a special need (has a diagnosed physical, mental or emotional disability); is Caucasian and age 8 or older; or is a member of a minority race or ethnic group and two years of age or older; is a member of a sibling group of three or more; and
  - The state could not place the child for adoption without the subsidy.
- Once a child is eligible for the adoption subsidy, they remain eligible until they turn age 18 (or 21 if they have a diagnosed physical, mental or emotional disability).
- Adoptive parents' income is not considered in determining a child's eligibility for subsidy, per Federal regulations.

In SFY 2010 the Department of Human Services finalized 873 adoptions. This is a decrease from SFY 2009 primarily due to a downward trend in the number of children in foster care. There were 744 terminations of parental rights actions in SFY 2010.

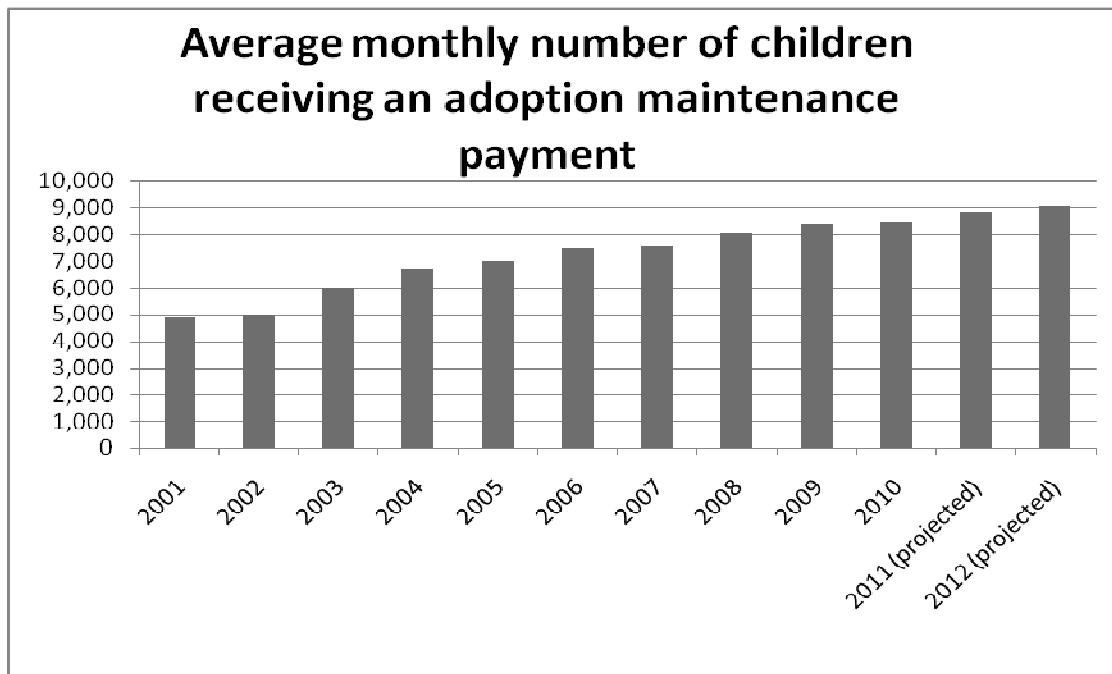
Figure 1 shows historical data on terminations of parental rights (TPR) for children in foster care and adoptions of children from foster care.

Figure 1



As of June 30, 2010, 9,142 children were eligible for adoption subsidy. Of those children, 8,454 received a subsidy payment. 688 children have an approved adoption assistance agreement but did not receive a subsidy payment, either because the family chose not to receive a payment or because the child was identified as “at risk” of having a special need, allowing the subsidy to be negotiated in the future if the child is diagnosed with a physical, mental or emotional disability. Figure 2 shows the number of children receiving an adoption subsidy maintenance payment. The caseload growth has slowed over the last two years, due to the decrease in the number of children in foster care and the resulting decrease in the number of children adopted through DHS.

Figure 2



The average monthly number of children receiving an adoption subsidy has increased steadily over the last 10 years and will continue to rise even though the number of adoptions has stabilized or decreased. This is because the majority of children adopted through DHS are younger and they remain eligible for the adoption subsidy until they are 18 or 21 if they continue to meet eligibility due to a diagnosed mental or physical disability.

As shown in Figure 3, over half the children adopted through the Department of Human Services are age 5 or younger. One reason for this is that it is more difficult to find adoptive families for older children. On the other hand as shown in Figure 4, the majority of children receiving adoption subsidy are age 6 or older. Again, this is because once children are eligible for the subsidy they remain eligible until they are 18 or 21 if they continue to meet eligibility due to a diagnosed mental or physical disability.

Figure 3 -- Age of Children Adopted through DHS

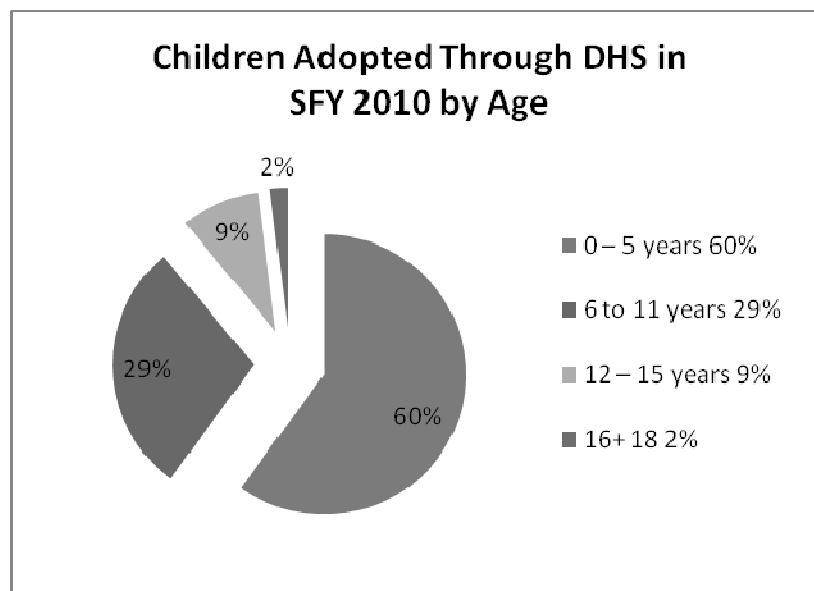
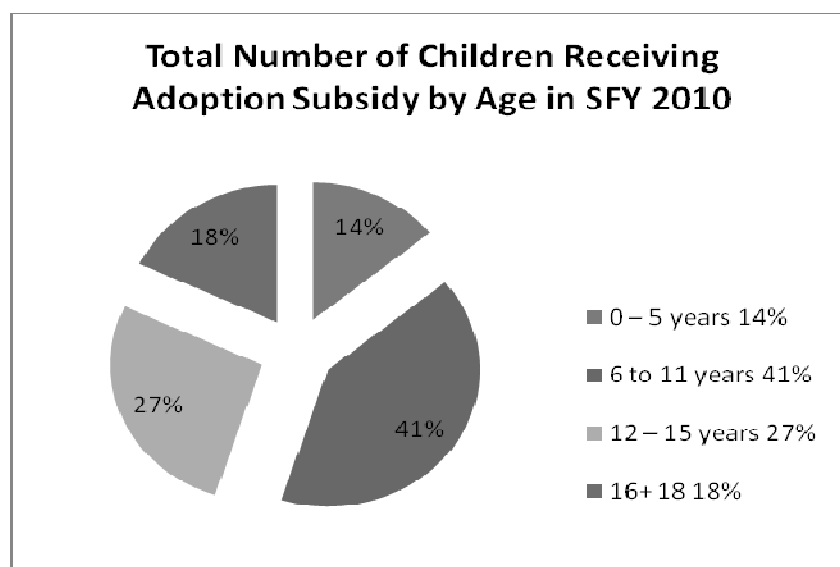


Figure 4 – Age of Children Receiving Adoption Subsidy



While Caucasian children make up over two-thirds of children adopted through DHS, African American children make up a larger percentage of adoptions and adoption subsidy cases than they do of the overall child population. This is because African American children represent a disproportionate percentage of the foster care population and because African American children are less likely to be reunited with their parents than Caucasian children.

Figure 5 – Race and Ethnicity of Children Adopted Through DHS

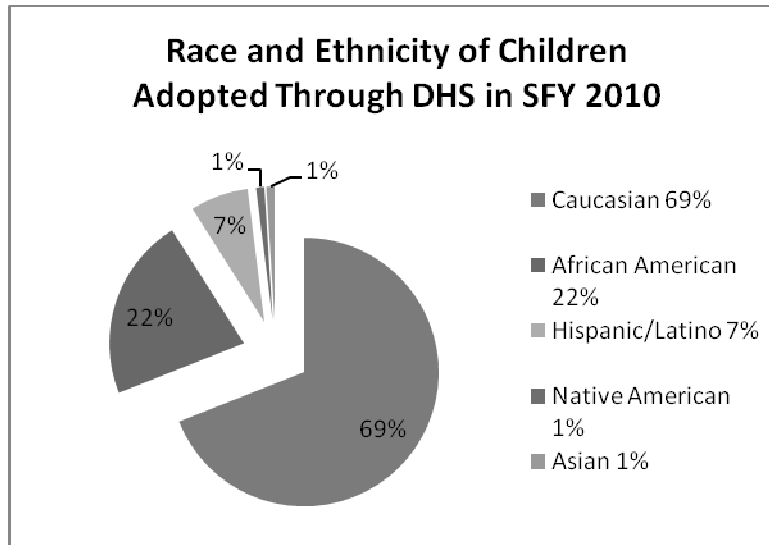
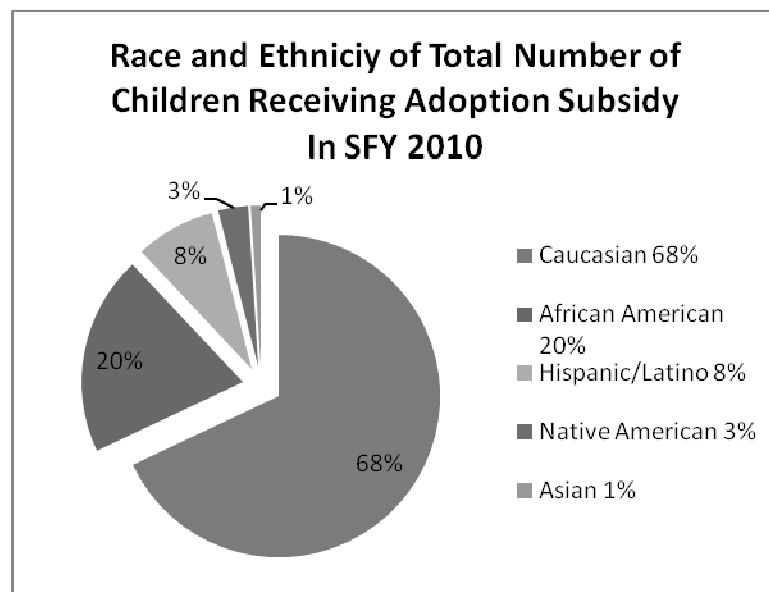


Figure 6 – Race and Ethnicity of Children Receiving Adoption Subsidy



**What:**

This offer funds activities to achieve permanent families for children who are eligible for adoption, assists in their placement, and provides services to avoid disruption. The adoption program includes two primary components:

- Adoption recruitment and services to children and families to achieve an adoption: The Department contracts for statewide recruitment of families to adopt children who are in the state's guardianship. Adoption services include home studies (including child abuse and criminal history record checks), placement support, and post-placement services. The goal of post-placement services is to prevent disruptions that may result in the adoption process ending unsuccessfully. Note: The state funds for adoption recruitment and services to children and families to achieve an adoption are included within Offer #401-HHS-007 Child Welfare/Juvenile Justice Community Services.
- Adoption subsidy: The Department provides the following subsidy benefits to families who have adopted a special needs child from foster care without regard to family income.
  - Monthly maintenance payments. Basic maintenance subsidy rates cannot exceed foster family care maintenance rates and range in amount based on the child's age. From July 1 through December 31, 2009, daily maintenance rates ranged from \$16.36 to \$18.87. In order to achieve savings required by Executive Order 19, rates were reduced by 5% beginning January 1 through June 30, 2010, and ranged from \$15.54 to \$17.93. Special care rates are based on the child's special needs.
  - Coverage under the Medicaid program. Medicaid provides access to health care ranging from preventive care to primary care to behavioral health care. The state funds for Medicaid are included within Offer #401-HHS-003 Medical Services.
  - Payment for special services (e.g., non-recurring expenses to finalize the adoption up to \$500.00 per child; expenses related to pre-placement visits up to \$2,000.00 per family; supplies and equipment as required for a child's special needs and unavailable through other resources; payment for the cost of adding the child to the family's private insurance if the family is denied by HIPPA; medical transportation not covered by Medicaid; outpatient therapy and counseling if the therapist is not an enrolled Medicaid provider or a Medicaid provider is not available.)

**How:****Service Delivery**

Approximately 45 child welfare staff in DHS local offices provided the following services:

- Adoptive Record Check Evaluations and home study approval: Evaluate child abuse and/or criminal history when adoptive applicants have a positive record check, and adoption home study decision.
- Eligibility Determination: Determine eligibility for the adoption subsidy program and for Title IV-E funding. They also negotiate and establish the adoption subsidy payment.
- Case Management: Provide case management for children and supervise the adoptive placement until the adoption is finalized.
- Consents: Consent to medical care and other activities requiring parental consent for children under DHS guardianship prior to finalization of an adoption, and issue the consent to the finalization of the child's adoption.
- Subsidy Payment: Authorize the monthly payment to adoptive families, and approve and process payments for special services.

## Service Support

- **Corporate Leadership:** Provide overall agency strategic management and accountability for the achievement of results.
- **Contract Management:** Maintain contract with a private agency for recruitment of adoptive homes and services to support adoptive placements. This includes managing the procurement process and monitoring contractor performance.
- **Licensing:** License all child-placing agencies that provide adoption services and certify all adoption investigators that provide services for both public and private adoptions. The Department of Inspection and Appeals (DIA) completes the licensing investigation and makes a recommendation to DHS.
- **Interstate Compacts:** Manage the Interstate Compact on the Placement of Children (ICPC) and the Interstate Compact on Adoptions and Medical Assistance (ICAMA). Iowa's ICPC office processed 212 requests for adoptive placements (including both DHS adoptions and private adoptions) in SFY 2010. Of the 212 requests, 83 were for children placed outside of Iowa and 129 were children placed in Iowa. Iowa's ICAMA office determines eligibility for medical coverage for children eligible for adoption assistance whose family moves across state lines. In SFY 2010, DHS processed 79 referrals for children coming into Iowa and 127 referrals for children from Iowa placed into other states.
- **Information Technology:** Maintain the child welfare information system that issues payments and sustains Federal claiming, supports caseworker activities, and is the source for adoption related data.
- **Federal Programs:** Complete the Title IV-B and IV-E state plans, state plan amendments, and program reporting required to claim Federal funding and coordinate preparation for periodic Federal program reviews.
- **Financial Accountability:** Manage budget, accounting, Federal/State reporting, cost allocation, and audit coordination and resolution.
- **Program Support:** Develop and maintain the administrative rules and employees' manual for the adoption program to ensure that Iowa's program aligns with best practice and complies with all relevant State and Federal laws and regulations.
- **Program Monitoring:** Monitor program outcomes, manage program improvement plans, and provide data to staff, policy makers and the general public.
- **Constituent Relations:** Work with constituent groups (e.g., Iowa Foster and Adoptive Parent Association), key stakeholders, and partners (e.g., county attorneys, Child Advocacy Board, Children's Justice of State Court Administration, etc.). Respond to constituent complaints and questions as well as appeals and requests for exceptions to policy.
- **Provider Payment:** Distribute client benefits and provider/vendor payments.

## Results Achieved:

<b>Result: Strengthen and Support Families/Safe and Nurturing Families</b>	<b>SFY 2010 Actual</b>	<b>SFY 2011 Budget Level</b>	<b>SFY 2012 Offer Level</b>
Number of finalized adoptions	873	875	875
Percentage of children adopted within 2 years of placement (national median is 27%)	53%	57%	57%

Sustaining service delivery assumes the level of funding requested in the offer as well as full funding of salary adjustment. If funding is insufficient in either area results to be achieved will be modified to reflect the impact.

To sustain existing services and growth in programs this offer assumes that status quo as well as all one-time funding such as the cash reserve fund, underground storage tank fund, government stabilization and stimulus dollars are fully replaced. If these dollars are not available in SFY 2012 there will be significant program reductions and negative impacts such as elimination of services, disenrollment of clients, implementation of wait lists and the possible closure of facilities. If funding is insufficient results to be achieved will be modified to reflect the impact. The lack of backfilling these one-time funds will also mean reductions in service delivery.

### **Impact of Proposed Budget on Results:**

#### **Current Results: (At Status Quo and CSL funding and activities)**

This offer includes funding for the adoption subsidy program that provides support to families that adopt children from foster care. Adoption subsidy is one of the state's primary strategies for achieving stable and permanent families for children whose parental rights have been terminated.

As of June 30, 2010, DHS provided an adoption subsidy payment for 8,454 children. This offer supports a projected caseload increase of 20 cases per month through SFY 2011 and SFY 2012.

DHS has been very effective in finding permanent adoptive families for children under state guardianship. In SFY 2010 DHS finalized 873 adoptions with a yearly average of 978 adoptions for the last 5 years. Over 90% of the children adopted through DHS participate in the adoption subsidy program. As a result, Iowa has a large and growing number of children eligible for adoption subsidy although the growth has slowed over the last few years.

Iowa's performance on the Federal standard of timeliness of adoptions has remained steady during the past three years. The measure represents the percentage of children who are adopted in less than 24 months from the time of their most recent removal from their home. The Federal median is 27% and Iowa has continually exceeded the Federal median at an average of 54%.

At the current service level this offer would maintain the adoption subsidy program at its current eligibility and benefit level.

### **Legal Requirements:**

#### **Federal:**

The adoption subsidy program is governed under Title IV-E of the Social Security Act. The adoption program is governed under Title IV-B of the Social Security Act. As a condition of receiving Federal funds parental income cannot be taken into account in determining eligibility for the subsidy or the amount of the subsidy pursuant to Federal regulation 1356.4(c). The same Federal statute requires that the adoption assistance payments may not be automatically decreased without the agreement of the adoptive parents.

#### **State:**

State requirements related to adoption are found in Chapter 232 and Chapter 600 of the Iowa Code. State requirements related to payment rates are found in Chapter 234.